GOVERNMENT OF INDIA
INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:6820
ANSWERED ON:10.05.2000
SOFTWARE TECHNOLOGY PARKS
DR. KIRIT SOMAIYA

Will the Minister of INFORMATION TECHNOLOGY be pleased to state:

(a) whether the STPI-Software Technology Parks of India, has experienced mad rush during March, 2000 for new registration of IT units;

(b) whether the Finance Minister`s announcement in BudgetSpeech that tax holiday benefit will be given only to those units who have registered their STP units before March 31, 2000;

(c): if so, the number of applications received by the Department in March, 2000;

(d): whether the registration process of all these applications was completed before March 31, 2000;

(e): whether all these legally valid registered units will be allowed to have benefits of export exemption of STPI units; and

(f) if so, the reaction of the Government thereto?

Answer

MINISTER OF PARLIAMENTARY AFFAIRS AND INFORMATION TECHNOLOGY

(SHRI PRAMOD MAHAJAN)

(a): There was a sharp increase in the number registration of units in Software Technology Parks.

(b): The proposal in the Budget speech was to limit the exemption under section 10A or 10B of the Income Tax Act, to units set up in Free Trade Zone or Export Oriented Units on or before 31.3.2000. Section 10A of the Income Tax Act is applicable to the STP units.

(c) and (d): 4357 applications were received during March 2000 for establishing STP unit under STP scheme. 3932 of these units which met the criteria for establishing units were registered.

(e) and (f): Finance Minister, while moving the Finance Bill (2000) has announced extension of cut-off date for tax-holiday to 2010 and as per this proposal, all STP units registered upto this point would be eligible for tax-holiday upto 2010.